

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant:	Portillo et al.	Group Art Unit:	3628
Serial No.:	09/604,525	Examiner:	Elda Milef
Filed:	June 27, 2000	Confirmation No.	4943
For:	METHOD FOR FACILITATING PAYMENT OF A COMPUTERIZED TRANSACTION		

PRE-APPEAL BRIEF REQUEST FOR REVIEW

Mail Stop AF
Commissioner for Patents
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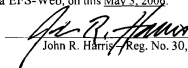
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24728

Sir:

The United States Patent and Trademark Office issued a final office action dated February 3, 2006, which rejected all of the pending claims. Concurrently with a Notice of Appeal, Applicant hereby requests that a panel of examiners formally review the legal and factual basis of the examiner's rejections prior to the filing of an appeal brief and pursuant to the United States Patent and Trademark Office's Pre-Appeal Brief Conference Pilot Program, as extended on January 10, 2006 (1303 OG 21). Applicant respectfully requests favorable reconsideration in view of the comments below. This case has gone on long enough—it is time to allow it; there is no good reason not to.

Claims 16, 18–42, 44–68, 70–92, 94–116, 118–138, and 140–159 are pending in this application. This case was previously the subject of an appeal, with an appeal brief having been filed on July 6, 2004. Subsequent to that appeal brief, a Rule 116 Amendment was filed on October 29, 2004, in response to a telephone conference with Examiner Richard C. Fults. In that discussion, the examiner suggested inclusion of certain aspects or features of the invention

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believed to distinguish over the art. Applicants were therefore expecting a Notice of Allowance. However, a new examiner (David Vincent) was assigned to this case, prosecution was reopened, and an office action of July 8, 2005 was issued. Please see the arguments of record in response to that rejection, including listing of claims, in the following document:

- Amendment and Response to Office Action in Reopened Prosecution filed on November 8, 2005 (which includes listing of claims).

Now, yet another examiner has been assigned to this case (Elda Milef), and a final rejection has been issued asserting “new grounds of rejection,” which basically merely rehashes the rejection stated by the former examiners Vincent and Fults. It is not clear what these “new grounds” are, other than taking the same *Conklin* reference and stretching to find something else in it to rely on. These rejections cannot stand and are improper, as the examiners have relied upon factual assertions from the *Conklin* reference that are simply untenable and unsupportable.

The claims were predominately rejected under 35 U.S.C. § 103(a) as being unpatentable over *Conklin* (U.S. Patent No. 6,141,653), in view of the Business Wire article (09889724 from Dialog file 148). Various excerpts from the *Conklin* patent were relied up as showing various aspects from the claims. Mr. Vincent rehashed certain citations from Mr. Fults, and now Ms. Milef has rehashed Mr. Vincent’s citations—using the same irrelevant references for the most part.

The examiner’s characterizations of the teachings of *Conklin* are a disconnected series of references to the *Conklin* patent that bear no factual relevance to the claimed subject matter. The examiner has not provided an adequate reasoning of why a skilled artisan would have been led to modify *Conklin* or combine other prior art teachings to arrive at the claimed inventions.

Features and aspects of the present invention that are believed novel and patentable have been previously summarized in the Appellant’s Brief filed July 6, 2004, at pages 2–4, and in the subsequent filings, referenced above, especially the November 8, 2005 filing.

For at least three reasons, the *Conklin* patent does not disclose, teach or suggest the inventive aspects of the present invention, as set forth in the claims as they stand. First, *Conklin* does not show or suggest a “money transfer system.” Second, *Conklin* does not show or suggest any “payment locations” or “payment location local computers.” Third, because the *Conklin* patent does not show these features or anything similar thereto, *Conklin* cannot disclose, teach or suggest anything remotely similar to the claimed functionality of communicating a message

to a seller computer that payment has actually been made at a payment location, based on information from a payment location local computer to the money transfer system, so that a transaction may be completed by making payment from the money transfer system to the seller. Nor is there a reference that could reasonably be combined with *Conklin* to supply the missing teachings—the Business Wire article, which relates to escrowed payment, is inadequate.

The *Conklin* patent describes a system for iterative, multivariate negotiations over a network. It is not a payment system, it is a negotiation system. While there are buyers, and sellers, and arrangements for negotiated terms, there is no provision for actual payment to be made at a designated “payment location,” with the resultant elements and steps for enabling a buyer to make actual payment at a payment location of the money transfer system. The portions of *Conklin* cited by the various examiners as showing various claimed features of the claims are not germane to the claimed subject matter, and result from a strained and awkward interpretation, at best, and incorrect at points. The rejection is incorrect and/or improper and should be withdrawn.

1. **Conklin Does Not Relate to a Money Transfer System.** First, *Conklin* does not show a “money transfer system,” as the term is used and intended in the claims. The new examiner for the most part repeated the portions of *Conklin* relied upon by the former examiner, but with some slightly different twists that do not change anything. The cited portions of *Conklin* simply do not support the examiner’s position. A “negotiation” system has very different requirements from a payment system. It is far-fetched to think that a skilled artisan would be led to modify *Conklin*’s negotiation system to arrive at a payment system involving actual payments made at payment locations associated with the money transfer system.

As mentioned above, the *Conklin* patent describes a system for iterative, multivariate negotiations over a network. A negotiation system is the “front end” of many transactions, and does not provide any relevant teachings about the “tail end” of a transaction, namely, the payment portion. A careful reading of *Conklin* reveals that the payment aspects of a transaction are naturally a part of a negotiated transaction and that sellers can provide various payment choices for customers (see Fig. 10-3), but there is no teaching of a money transfer system that could be used as a payment mechanism. The many upfront negotiated payment-related aspects of a transaction in *Conklin* relied upon by the examiner do not reasonably relate to how a payment is actually made and completed. Those skilled in the art will read *Conklin* as teaching

that payment is necessarily one of the terms of a transaction that can be negotiated up front of a transaction, but lacking any teaching of how to effect that payment. It certainly does not teach a “money transfer system.”

2. **Conklin Does Not Disclose or Teach “Payment Locations” or “Payment Location Local Computers.”** *Conklin* does not show or suggest any “payment locations” or “payment location local computers,” as the terms are used and intended in the claims. The examiner’s citations to *Conklin* are completely unrelated to payment locations associated with a money transfer system, where a person might go and make an actual payment. Again, *Conklin* relates to negotiation, not effecting actual payment. The reliance on col. 31, lines 9–36; and col. 26, lines 43, etc. (see Office Action bottom p. 2) is but one example of the many unfounded assertions—those particular citations relate to nonrepudiation and letters of credit and have nothing to do with anything like a “payment location” where payments can be made. The citation to Fig. 2c as showing cash payment is similarly irrelevant. Fig. 2c of *Conklin* is a very general “prior art” block diagram showing a product catalog, a fax machine, a telephone, samples, a bank, a factory, and a generic “payment.” The “payment” in Fig. 2c is described in the *Conklin* patent in connection with letters of credit being negotiated by telephone calls and facsimile exchanges. There are many similar other factually incorrect and improper references, too numerous to itemize in this limited filing.

3. **Conklin Does Not Disclose or Teach Communicating a Message that Payment Has Actually Been Made.** The *Conklin* patent does not disclose, teach or suggest anything remotely similar to the claimed functionality of communicating a message to a seller computer that payment has actually been made at a payment location, based on information from a payment location local computer to the money transfer system, so that a transaction may be completed by making payment from the money transfer system to the seller. There are many instances, again too numerous to fully list, of the examiner’s citations to *Conklin* that fail to meet the claims. One example will be provided: On page 5 of the office action, the examiner cited Figs. 7–8 as meeting this limitation. This is factually absurd. Fig. 7 shows communication of an “offer of terms” (535)—these are terms, not actual payment. Fig. 8 shows viewing of reports. Reports, plainly, do not relate to payment.

It should be clear from the foregoing that the *Conklin* patent simply cannot factually support an obviousness rejection of these claims, either singularly or in combination with the

Business Wire article, or any other reference of record, because of its clear lack of any teachings relevant to aspects of an online commerce system that includes a money transfer system, connected for electronic communications with one or more payment locations, which are configured to receive actual payments at a payment location associated with the money transfer system, with a message communicated to a seller computer that payment has actually been made, all as more particularly recited in the independent claims in this case, as they now stand. The skilled artisan would simply not be motivated to modify *Conklin* to include the aspects as claimed, because of *Conklin's* singular focus on the negotiation aspect of a transaction, not on the payment aspects.

Finally, the Business Wire article is simply incapable of providing the missing teaching or motivation to combine. The Business Wire article describes a completely different and unrelated payment system—an escrow payment system, where a buyer transfers funds to an escrow account (not making a payment at a payment location). The comments on page 45 of the Nov. 8, 2005 filing should be persuasive that this reference is not applicable. In this reference, a buyer transfers funds to an escrow account, which is not the same as making an actual payment at a payment location. The system in the *Conklin* patent is so factually different from the presently claimed inventions that the Business Wire article is simply inadequate to fill in the many missing gaps in teaching.

CONCLUSION

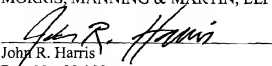
Applicant reminds that a Notice of Appeal and appeal brief and fees therefor are already of record in this case. In view of the foregoing remarks, Applicant submits that the claims stand in condition for allowance, and Applicant respectfully requests the passing of the present application to issue without requiring further prosecution of an appeal.

Respectfully submitted,

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May 3, 2006

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